



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS	REDEVELOPMENT AGENCY	FINANCING AUTHORITY
Dennis Kennedy, Mayor	Dennis Kennedy, Chair	Dennis Kennedy, President
Hedy Chang, Mayor Pro Tempore	Hedy L. Chang, Vice-Chair	Hedy Chang, Vice-President
Larry Carr, Council Member	Larry Carr, Agency Member	Larry Carr, Authority Commissioner
Greg Sellers, Council Member	Greg Sellers, Agency Member	Greg Sellers, Authority Commissioner
Steve Tate, Council Member	Steve Tate, Agency Member	Steve Tate, Authority Commissioner

WEDNESDAY, NOVEMBER 19, 2003

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL AND REGULAR MEETING

and

REDEVELOPMENT AGENCY SPECIAL MEETING

And

MORGAN HILL FINANCE AUTHORITY COMMISSION

5:00 P.M.

A Special Meeting of the City Council, Redevelopment Agency, and Morgan Hill Financing Authority Commission is called for the Purpose of Conducting a Workshop at 5:00 P.M., for holding Closed Sessions at 6:00 P.M., and to conduct City Business at 7:00 P.M.

**Dennis Kennedy, Mayor, Chairman, and
President of the Financing Authority Commission**

CALL TO ORDER

(Mayor/Chairperson/President Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

5:00 P.M.

City Council Action

WORKSHOP:

	Time Estimate		Page
1.	60 Minutes	(A) <u>REVIEW OF MEDICAL SERVICES OBJECTIVES</u>	1
		<u>Recommended Action(s):</u> <u>Conduct</u> a Workshop and <u>Revise</u> Medical Services Objectives, as Appropriate.	
		(B) <u>CONSIDER MORGAN HILL COMMUNITY HEALTH FOUNDATION'S (MHCHF) INPUT TO THE CITY COUNCIL POLICY ON HEALTH SERVICES</u>	11

6:00 P.M.

City Council Action and Redevelopment Agency Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Authority: Government Code Sections 54956.9(b) & (c)

Number of Potential Cases: 4

2.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority: Government Code 54956.8

Property: 215 Tennant Avenue, APN: 817-04-002

Negotiating Parties:

For City: City Manager, Director of Public Works, and Attorney Gale Connor

For Property Owners: Robert and Teresita Carrasco and Bruce Tichinin

Closed Session Topic/Under Negotiation: Price and Terms of Payment

3.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority:	Government Code 54956.8
Property:	95 Tennant Avenue, APN: 817-04-008
Negotiating Parties:	
For City:	City Manager, Director of Public Works, and Attorney Gale Connor
For Property Owners:	Marko and Klara Gera
Closed Session Topic/Under Negotiation:	Price and Terms of Payment

4.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority:	Government Code 54956.8
Property:	145 Tennant Avenue, APN: 817-04-008
Negotiating Parties:	
For City:	City Manager, Director of Public Works, and Attorney Gale Connor
For Property Owners:	Joseph Hernandez, as trustee; et al
Closed Session Topic/Under Negotiation:	Price and Terms of Payment

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORT

Council Member Sellers

CITY COUNCIL SUB-COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY COUNCIL/REDEVELOPMENT AGENCY.

City Council Action

CONSENT CALENDAR:

ITEMS 2-13 The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
2.	<u>OCTOBER 2003 FINANCE & INVESTMENT REPORT – CITY COUNCIL</u> <u>Recommended Action(s):</u> <u>Accept</u> and <u>File</u> Report.	15
3.	<u>RECWARE RECREATION SOFTWARE CONTRACT</u> <u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Enter Into a Contract with RecWare Recreation Software in the Amount Not to Exceed \$25,000, Upon City Attorney Approval of the Contract Terms.	41
4.	<u>CONSIDERATION OF GENERAL PLAN AMENDMENTS IN DECEMBER</u> <u>Recommended Action(s):</u> <u>Schedule</u> General Plan Amendment Hearing for December 17, 2003.	49
5.	<u>ACCEPTANCE OF EDMUNDSON RESERVOIR PROJECT</u> <u>Recommended Action(s):</u> 1. <u>Accept</u> as Complete the Edmundson Reservoir Project in the Final Amount of \$1,417,657.26; and 2. <u>Direct</u> the City Clerk to File the Notice of Completion with the County Recorder's Office.	51
6.	<u>AQUATICS CENTER PROJECT – OCTOBER CONSTRUCTION PROGRESS REPORT</u> <u>Recommended Action(s):</u> <u>Information</u> Only.	55
7.	<u>REIMBURSEMENT FOR UNDERGROUNDING OF OVERHEAD UTILITIES BY COYOTE CREEK ESTATES (TRACT 9396)</u> <u>Recommended Action(s):</u> <u>Authorize</u> Reimbursement of \$71,769 for Undergrounding of Overhead Utilities by 5M Development LLC.	63
8.	<u>RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDSCS) 2003 QUARTERLY REPORT #3</u> <u>Recommended Action(s):</u> <u>Accept</u> and <u>File</u> the RDSCS Third Quarter Report for 2003.	67
9.	<u>BI-ANNUAL VACANCY SURVEY</u> <u>Recommended Action(s):</u> 1. <u>Establish</u> the Bi-Annual Vacancy Rate for October 2003 as Recommended by the Planning Commission.	83

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
10.	<u>LOCAL LAW ENFORCEMENT BLOCK GRANT 2003</u> 93	
	<u>Recommended Action(s):</u>	
	1. <u>Authorize</u> the City Manager to Accept the Local Law Enforcement Block Grant (LLEBG) in the Amount of \$7,505;	
	2. <u>Accept</u> the Spending Plan as Presented; and	
	3. <u>Appropriate</u> \$834 in Unallocated Reserves as Grant Matching Funds.	
11	<u>SUBDIVISION AMENDMENT APPLICATION SDA-01-11: COCHRANE-MISSION VIEW</u> 97	
	<u>Recommended Action(s):</u> <u>Take No Action</u> , Thereby Concurring with the Planning Commission's Decision Regarding Approval of the Subdivision Map.	
12.	<u>SUBDIVISION, SD-03-08: WATSONVILLE-SOUTH COUNTY HOUSING</u> 107	
	<u>Recommended Action(s):</u> <u>Motion to Schedule</u> for Public Hearing December 3, 2003.	
13.	<u>URBAN LIMIT LINE (GREENBELT) STUDY STATUS REPORT</u> 125	
	<u>Recommended Action(s):</u> <u>No Council Action</u> Is Required.	

Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 14-15

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
14.	<u>OCTOBER 2003 FINANCE & INVESTMENT REPORT – REDEVELOPMENT AGENCY</u> 131	
	<u>Recommended Action(s):</u> <u>Accept</u> and <u>File</u> Report.	
15.	<u>AMEND AGREEMENT WITH SEIFEL CONSULTING FOR THE PREPARATION OF THE AFFORDABLE HOUSING STRATEGY</u> 141	
	<u>Recommended Action(s):</u> <u>Authorize</u> the Executive Director to Amend the Agreement with Seifel Consulting to Increase the Contract Amount by \$7,040 for Additional Services Needed to Prepare the Affordable Housing Strategy, Subject to Agency General Counsel Review.	

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 16-17

	Time Estimate		Page
	Consent Calendar: 1 - 10 Minutes		
16.		<u>ACQUISITION OF THE VALLEY TRANSPORTATION AUTHORITY (VTA) PROPERTY ALONG BUTTERFIELD BOULEVARD</u>	143
		<u>Recommended Action(s):</u>	
		1. <u>Authorize</u> the Executive Director to do Everything Necessary and Appropriate to Execute and Implement, Including Making Minor Revisions to, the Agreement for the Purchase of Property and All Related Documents with the Valley Transportation Authority (VTA), for the Purchase of Their Interest in the Vacant Portion of the Caltrain Lot;	
		2. <u>Appropriate</u> the Amount of \$150,000 From the Current Year Unappropriated Fire Impact fund to Cover the Purchase Price, Related Escrow and Closing Costs, and Schematic Design Costs;	
		3. <u>Authorize</u> the Agency to Convey, and City to Accept, the Full Interest in the Property; and	
		4. <u>Authorize</u> the Executive Director and City Manager, Respectively, to do Everything Necessary to Convey and Accept the Subject Property.	
17.		<u>APPROVE JOINT SPECIAL AND REGULAR CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF NOVEMBER 5, 2003</u>	147

City Council Action

PUBLIC HEARINGS:

	Time Estimate		Page
18.	10 Minutes	<u>APPEAL APPLICATION, AP-03-06: JARVIS-ANRITSU</u> (<i>Continued from 11/5/03</i>)	179
		Public Hearing Opened.	
		Please Limit Your Remarks to 3 Minutes. Public Hearing Closed	
		Council Discussion.	
		Action- <u>Adopt</u> Resolution to Deny Appeal.	
		<u>OR</u>	
		Action- <u>Continue</u> to December 3, 2003 Meeting.	
19.	20 Minutes	<u>APPEAL APPLICATION, AP-03-05: JARVIS-MORGAN HILL DEVELOPMENT PARTNERS</u>	193
		Public Hearing Opened.	
		Please Limit Your Remarks to 3 Minutes. Public Hearing Closed	
		Council Discussion.	
		Action- <u>Deny</u> Appeal and Direct Staff to Prepare Resolution with Findings for Adoption at December 3, 2003 Meeting.	
		<u>OR</u>	
		Action- <u>Continue</u> to December 3, 2003 Meeting.	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
20.	15 Minutes	<u>UPDATE OF THE RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (MEASURE P) (Continued from November 11, 2003)</u>	249
		<u>Recommended Action(s):</u>	
		1. <u>Review</u> Proposed Amendments;	
		2. <u>Accept</u> Public Testimony;	
		3. <u>Adopt</u> Resolution Calling for a Special Municipal Election on the March 2, 2004 Ballot;	
		4. <u>Adopt</u> Resolution Requesting County Consolidation of Elections; and	
		5. <u>Adopt</u> Resolution Setting Priorities for Written Arguments and Directing the City Attorney to Prepare an Impartial Analysis.	
21.	5 Minutes	<u>REIMBURSEMENT OF THE APPEAL APPLICATION FEE FOR THE SANTA CLARA VALLEY AUDUBON SOCIETY AND COMMITTEE FOR GREEN FOOTHILLS</u>	293
		<u>Recommended Action(s):</u>	
		1. <u>Consider</u> request to reimburse the fee; and	
		2. <u>Provide</u> direction to staff	
22.	10 Minutes	<u>INTERIM DOG PARK</u>	315
		<u>Recommended Action(s):</u>	
		1. <u>Approve</u> the Parks and Recreation Commission Recommendation to Pursue Development of an Agreement with Pacific Gas and Electric (PG&E) to Develop an Interim Off-leash Dog Park on PG&E Property in Morgan Hill as Identified in Staff Report ; and	
		2. <u>Direct</u> Staff to Include Consideration for Funding an Off-Leash Interim Dog Park as a Part of the Capital Improvement Budget Preparations for Fiscal Year 2004-2005.	
23.	10 Minutes	<u>LIBRARY COMMISSION RECOMMENDATION REGARDING CYCLE III APPLICATION FOR LIBRARY BOND ACT OF 2000 GRANT</u>	331
		<u>Recommended Action(s):</u> <u>Receive</u> Recommendation from Library Commission Regarding Cycle III Application for Library Bond Act of 2000 Grant.	
24.	5 Minutes	<u>REQUEST FROM THE MORGAN HILL BRANCH OF THE AMERICAN ASSOCIATION OF UNIVERSITY WOMEN (AAUW) TO WAIVE SPECIAL EVENT PERMIT FEES</u>	335
		<u>Recommended Action(s):</u>	
		1. <u>Consider</u> Request to Waive Fees; and	
		2. <u>Provide</u> Direction to Staff	
25.	45 Minutes	<u>WATER RATES</u>	339
		<u>Recommended Action(s):</u>	
		1. <u>Direct</u> Staff to Set a Water Rate and Water Conservation Workshop and to Set a January 21, 2004, Public Hearing for Consideration of Additional Increases in Water Rates Effective April 2004 and January 2005, 2006, and 2007;	
		2. <u>Direct</u> Staff to Return with a Rate Structure at the Proposed Workshop for Commercial Irrigation Customers to Encourage Conservation;	
		3. <u>Direct</u> Staff to Initiate Steps to Issue Water Revenue Bonds; and	
		4. <u>Direct</u> Staff to Take Steps Necessary to Make the City's "Drought Tolerant & Landscape Irrigation Guidelines" a Requirement for All New Development.	

City Council and Financing Authority Commission Action

OTHER BUSINESS:

	Time Estimate		Page
26.	10 Minutes	<u>REFINANCING OF WATER FACILITIES LOAN</u>	389
		<u>Recommended Action(s):</u>	
		<u>Financing Authority Commission:</u>	
		1. <u>Adopt</u> the Resolution Approving the Bylaws of the Authority;	
		<u>City Council:</u>	
		2. <u>Adopt</u> the Resolution Approving as to Form and Authorizing the Execution and Delivery of a Loan Agreement and as Assignment in Connection with the Refinancing of Bonds and Authorizing certain other Matters Relating Thereto;	
		<u>Financing Authority Commission:</u>	
		3. <u>Adopt</u> the Resolution Approving as to Form and Authorizing the Execution and Delivery of a Loan Agreement and an Assignment in Connection with the Refinancing of Bonds and Authorizing Certain Other Matters Relating Thereto; and	
		<u>City Council:</u>	
		4. <u>Approve</u> Agreements with RBC Dain Rauscher Inc. for Financial Advisory Services and with Richards, Watson & Gershon for Special Legal Counsel Services, and <u>Direct</u> the City Manager to Execute These Agreements.	

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT